

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda or other document or information filed with the Attorney General under this act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

*Furnish this exhibit for EACH foreign principal listed in an initial statement  
and for EACH additional foreign principal acquired subsequently.*

1. Name and address of registrant Black, Kelly, Scruggs & Healey 1801 K Street, NW, Suite 901-L Washington, DC 20006		2. Registration No. 3600
3. Name of foreign principal Embassy of El Salvador	4. Principal address of foreign principal 2308 California Street, NW Washington, DC	

5. Indicate whether your foreign principal is one of the following type:

- ☒ Foreign government
- ☐ Foreign political party
- ☐ Foreign or ☐ domestic organization: If either, check one of the following:
- |                                      |                                                |
|--------------------------------------|------------------------------------------------|
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Committee             |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Voluntary group       |
| <input type="checkbox"/> Association | <input type="checkbox"/> Other (specify) _____ |
- ☐ Individual—State his nationality \_\_\_\_\_

6. If the foreign principal is a foreign government, state:

- a) Branch or agency represented by the registrant. Embassy of El Salvador
- b) Name and title of official with whom registrant deals. Rene A. Leon  
Ambassador

7. If the foreign principal is a foreign political party, state:

- a) Principal address N/A
- b) Name and title of official with whom registrant deals.
- c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

N/A

b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☐

Directed by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☐

Controlled by a foreign government, foreign political party, or other foreign principal ..... Yes ☐ No ☐

Financed by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☐

Subsidized in whole by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☐

Subsidized in part by a foreign government, foreign political party, or other foreign principal..... Yes ☐ No ☐

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

N/A

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

N/A

Date of Exhibit A

October 7, 1998

Name and Title

John F. Scruggs

Chief Operating Officer

Signature:



**INSTRUCTIONS:** A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in triplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

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Name of Registrant	Name of Foreign Principal
Black, Kelly, Scruggs & Healey	Embassy of El Salvador

Check Appropriate Boxes:

- ☒ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach three copies of the contract to this exhibit.
- ☐ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach three copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- ☐ The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.
- Describe fully the nature and method of performance of the above indicated agreement or understanding.

Registrant will provide counsel, advice and assistance to the foreign principal to increase awareness of political and economic issues in El Salvador including trade and immigration.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Black, Kelly, Scruggs and Healey will engage in the following activities on behalf of the Embassy of El Salvador:

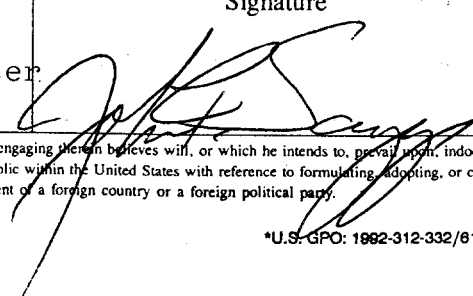
1. Provide advocacy and media relations support to the Embassy of El Salvador.
2. Provide advice and counsel to the Embassy of El Salvador in it's outreach to Congress, the Administration, non-governmental organizations and the U.S. business community. Outreach will focus on political and economic issues of concern to the client, including issues concerning trade and immigration.
3. Develop U.S. and international trade media coverage for El Salvador that focuses on the dramatic political and economic transformation that has taken place in the country.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1</sup>

Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Please see relevant information provided in answer to item #5.

Date of Exhibit B	Name and Title	Signature
October 7, 1998	John F. Scruggs Chief Operating Officer	

<sup>1</sup>Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

## ***CONSULTING AGREEMENT***

**THIS AGREEMENT**, made this 17th day of September, 1998, between *Black, Kelly, Scruggs, & Healey*, a wholly owned subsidiary of Young and Rubicam, a limited partnership registered in Delaware, having an office at 1801 K Street, N.W., Washington, DC ("BKS&H"), and Embassy of El Salvador ("Client"), located at 2308 California Street, N.W., Washington, D.C.

**WHEREAS**, BKS&H has extensive experience, knowledge and expertise relating to the field of government relations and corporate relations, and;

**WHEREAS**, Client is desirous of retaining BKS&H to perform services as described below and to render such services to Client;

**NOW, THEREFORE**, in consideration of the promises and the mutual covenants herein contained, the parties hereto agree as follows:

### **1. Services**

BKS&H will provide advocacy and media relations support to Client in Washington, D.C. In the advocacy arena, BKS&H will provide advice and counsel to Client in its outreach to Congress, the Administration, non-governmental organizations and the U.S. business community. Congressional and Administration outreach will focus on political and economic issues of concern to Client, including issues concerning trade and immigration. In the media relations arena, BKS&H will help develop U.S. and international media coverage for El Salvador that focuses on the dramatic political and economic transformation that has taken place in the country.

**All services to be performed, projects to be undertaken and extraordinary expenses to be incurred under this Agreement shall require the prior approval of the Ambassador of El Salvador.**

### **2. Compensation**

Client shall pay BKS&H \$35,000.00 per month in full consideration for the services described herein. Said retainer will be invoiced in advance by BKS&H and is payable by Client within thirty (30) days of receipt. Except for the month of September which the client shall pay \$17,500.

### **3. Expenses**

- A. BKS&H shall be reimbursed for all normal and necessary out-of-pocket expenses, which shall be passed through to Client without markup. Normal expenses include entertainment, taxis, long distance telephone, couriers, express mail, etc.
- B. Extraordinary expenses including cost of domestic and international travel will only be incurred by BKS&H with the prior approval of Client.
- C. All expenses shall be payable within thirty (30) days of Client's receipt of an invoice therefor.

### **4. Term and Termination**

- A. The initial term of this Agreement shall be from September 15, 1998 through March 31, 1999. Client shall be responsible for all non-cancelable commitments entered into by BKS&H on its behalf.
- B. Upon the effective date of the termination of this Agreement, all property in BKS&H's possession belonging to Client shall be turned over to Client.

### **5. Ownership**

Upon termination or expiration of this Agreement, all written material developed by or provided to BKS&H in connection with the performance of this Agreement and paid for by Client, including, but not limited to, listings, notebooks, reports, findings, recommendations, data and memoranda shall be the property of Client exclusively and returned to Client immediately.

### **6. Indemnification**

BKS&H and Client agree to indemnify, defend, and hold harmless the other party, its successors, assigns, transferees, officers, directors, employees, agents, affiliates, and subsidiaries from any and all loss, liability, damage, and expense (including reasonable attorney's fees), resulting directly or indirectly, from any claims or lawsuits arising out of or in connection with the indemnifying party's performance under this Agreement, or arising out of indemnifying party's breach of any of its obligations or warranties under this Agreement, unless the other party is legally adjudged to have acted intentionally, recklessly, or grossly negligent in connection with the circumstances giving rise to the indemnifying party's liability. In any event, neither BKS&H nor Client shall be liable for any incidental or consequential damages. The parties agree to give the other immediate notice of any suit or action filed or of any claim made against the notifying party arising out of or in connection

with this Agreement. This paragraph shall survive indefinitely the termination of this Agreement.

**7. Confidentiality**

BKS&H, on behalf of itself and its employees, hereby covenants and agrees that, except for information that is in the public domain, it:

- A. Shall exercise reasonable care and caution to keep confidential any and all proprietary information concerning Client's business and operation which becomes known to BKS&H by reason of the performance of its services on their behalf, and which information is clearly marked "confidential" or specifically identified in writing as confidential.
- B. Shall not disclose any marked or identified information to any person outside the employ of BKS&H, unless to do so is required in connection with the performance of its services, and in such event BKS&H hereby agrees to advise said third parties of the confidential nature of said material; or in compliance with a court or governmental order.

**8. Compliance with Laws**

- A. BKS&H shall be responsible for making full and necessary disclosure of this agreement and the activities specified herein, pursuant to the requirements of the Foreign Agents Registration Act, 22 U.S.C. Section 611 et seq., the Lobbying Act, 2 U.S.C. Section 261 et seq., and similar statutes.
- B. Both BKS&H and Client agree they shall scrupulously adhere to the provisions of the Foreign Corrupt Practices Act as may be applicable to them. Moreover, neither BKS&H nor Client will pay or will permit or suffer any agent, intermediary or employee to pay, directly or indirectly, any money or thing of value, to any official of the government of any nation or political subdivision thereof, or any of their agencies, instrumentalities, corporations or ventures, or to any political party, official thereof, or any candidate for political office, or to any other person with knowledge or expectation that some or all of such payment will be paid to or for the benefit of such official, party or candidate for the purposes of influencing the acts, omissions or decisions in an official capacity of such official, party or candidate in violation of his or its lawful duty.

## 9. Construction

This agreement shall be construed in accordance with and governed by the laws of the state of New York. **Any dispute arising out of this Agreement shall be adjudicated through final and binding arbitration before the American Arbitration Association in Washington, D.C.** Client hereby agrees that service of process upon it by registered or certified mail at its address set forth above shall be deemed adequate and lawful. The parties hereto shall deliver notices to each other by registered or certified mail (return receipt requested) at the addresses set forth above.

## 10. Titles

Titles are for reference only; in the event of a conflict between a title and the content of a section, the content of the section shall control.

## 11. Entire Agreement

This agreement constitutes the entire Agreement with respect to the subject matter hereof, and may only be modified or amended in writing, signed by authorized representatives of both parties.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date specified below:

Black, Kelly, Scruggs & Healey  
1801 K Street, NW  
Suite 901-L  
Washington, DC 20006

Embassy of El Salvador, Washington D.C.  
2308 California Street, N.W.  
Washington, D.C. 20008

By: 

By: 

Print Name: John F. Scruggs

Print Name: Rene A. Leon

Title: Chief Operating Officer

Title: Ambassador

Date: 9/22/98

Date: Sept., 30, 1998